THOMAS S. KAHN, STAFF DIRECTOR AND CHIEF COUNSEL (202) 226-7200



PAUL RYAN, WISCONSIN, RANKING MEMBER

AUSTIN SMYTHE, REPUBLICAN STAFF DIRECTOR (202) 226-7270

U.S. House of Representatives

COMMITTEE ON THE BUDGET Washington, DC 20515

April 1, 2009

The Honorable Ron Klein
U.S. House of Representatives
313 Cannon House Office Building
Washington, DC 20515

Dear Representative Klein:

Thank you very much for your testimony before the Budget Committee about veterans' benefits and health care, medical and scientific research, charitable tax deductions, and the Fiscal Year 2010 budget. Your views played a valuable role as the Budget Committee considered budget priorities in these areas.

I share your concern for veterans. The budget resolution provides significant funding increases for veterans' health care and benefits. It builds on the President's strong budget by providing \$53.3 billion in appropriated funding for veterans' health care, claims processing, and other services, which is \$5.5 billion (11.5 percent) more than the 2009 level. The resolution provides \$540 million more than the President's budget to safeguard the provision of health care to veterans in case the Department of Veterans Affairs (VA) does not, using existing authorities, realize the level of increase in payments from insurance companies that it estimates. The resolution includes funding for VA to enroll additional non-disabled veterans with modest incomes (Priority Group 8) for health care. Further, the resolution includes more funding than 2009 for researching and treating psychological challenges that veterans face. I am pleased to report that we have received letters of support for the budget from several major veterans service organizations.

I share your support for adequate funding for cancer research. Like you, I believe that supporting cancer research is one of our nation's highest priorities. I am pleased to report that our budget resolution matches the President's 2010 budget request for Function 550 (Health), including the President's priority to increase cancer research funding. The funding in the budget resolution builds on \$10 billion provided for the National Institutes of Health in the Recovery Act, which included funding for biomedical research to study cancer.

The resolution also provides a \$1.6 billion increase over 2009 regular funding levels for Function 250 (General Science, Space, and Technology). The resolution builds

on \$3 billion provided for the National Science Foundation and \$2 billion for the Department of Energy Office of Science provided in the Recovery Act.

Finally, I understand your concern over the impact that capping the tax incentive for charitable deductions may have on charitable giving by hardworking Americans. I wanted to reassure you that our resolution does not assume revenues in the President's budget from capping itemized deductions. Decisions about specific revenue offsets are made by the Ways and Means Committee.

Our budget resolution, which was prepared after extensive consultation with the Democratic Caucus and our House Democratic leadership, begins the hard work of putting the budget back on track after eight years of misplaced priorities under the previous Administration. Our budget makes important investments to strengthen our economy and our country, while getting the budget on a path toward fiscal responsibility.

Last week, when the Budget Committee approved the budget resolution, every single Democrat voted for it. I urge you to vote for it as well when the House considers it this week on the floor. If you have any questions or concerns about the budget, please feel free to contact me or the Budget Committee staff at x6-7200.

Sincerely,

John M. Spratt, Jr. Chairman